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In the Supreme Court of the United States

OCTOBER TERM, 1951

No. 160

STRATEGICAL DEMOLITION TORPEDO COMPANY, INC.,
PETITIONER

v.

THE UNITED STATES

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CLAIMS

BRIEF FOR THE UNITED STATES IN OPPOSITION

OPINION BELOW

The opinion of the Court of Claims (R. 6-10) is reported at 96 F. Supp. 315.

JURISDICTION

The judgment of the Court of Claims was entered on April 3, 1951 (R. 10). The petition for a writ of certiorari was filed on June 30, 1951. The jurisdiction of this Court is invoked under 28 U. S. C. 1255.

QUESTION PRESENTED

Whether the specific exception, with regard to claims by government employees, to the statutory privilege of suit for patent infringement against the United States, bars suit where one of four co-inventors was a government employee when the device was invented.

STATUTE INVOLVED

The pertinent provisions of Section 1498 of the Judicial Code, 28 U. S. C., Supp. IV, 1498, 62 Stat. 941, as amended, 63 Stat. 102 [1] are as follows:

> Whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.
>
> * * * * *
>
> This section shall not confer a right of action on any patentee who, when he makes such a claim, is in the employment or service of the United States, or any assignee of such patentee, and shall not apply to any device discovered or invented by an employee during the time of such employment or service.

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[1] Formerly, Act of June 25, 1910, 36 Stat. 851, amended July 1, 1918, 40 Stat. 705, 35 U. S. C. (1946 ed.) 68.

STATEMENT

On December 30, 1930, four individuals who were the "first, and joint inventors" (R. 1) of a Strategical Demolition Torpedo applied for United States letters patent on their invention. They renewed their application on January 15, 1934, with a request that if their patent were granted, it should be granted to the Strategical Demolition Torpedo Company, Inc., the petitioner in this suit. The patent was granted to the petitioner on August 21, 1934. (R. 2.) On May 5, 1949, petitioner assigned the patent to the four original inventors but on May 20, 1949, the inventors reassigned the patent to the petitioner (R. 2-3).

On December 15, 1950, petitioner filed suit in the Court of Claims pursuant to Section 1498 of the Judicial Code alleging that the Navy Department was infringing its patent by using the patented device without consent of the petitioner and asked for just compensation for the alleged use (R. 1-5). Paragraph 6 of the petition (R. 3) stated that John H. Thomas, one of the inventors of the device covered by petitioner's patent, was an employee of the United States at the time of the invention or discovery. Respondent filed a motion to dismiss the petition on the ground that it was barred by the provision in 28 U. S. C. 1498 which says that the right to sue "shall not apply to any device discovered or invented by an employee" of the United States during the time of such employment and that the invention in question, the Strategical Demoli-

tion Torpedo, was invented by Thomas while he was such an employee (R. 5). The Court of Claims upheld respondent's contention, one judge dissenting, and dismissed the petition in a judgment rendered April 3, 1951 (R. 10).

ARGUMENT

In waiving the immunity of the United States to suit for patent infringement, Congress expressly provided that no right of action against the United States shall exist where the patented device was discovered or invented by an employee of the United States during his employment. Petitioner's effort to avoid the application of this exception derives from the fact that the suit here was brought by the assignee of four co-inventors, only one of whom was a government employee at the time the device was invented. We submit that the Court of Claims was clearly correct in dismissing petitioner's claim and that review by this Court is not warranted.

1. (a) Petitioner's main argument is that the exception to 28 U.S.C. 1498, *supra,* p. 2, extends only to government employees and thus does not preclude the other three inventors from bringing suit against the Government (Pet. 6). We believe that the scope of the statutory exception cannot be so limited.

The legislative history of the Act of 1910 (June 25, 1910, 36 Stat. 851, 35 U.S.C. (1946 ed.) 68) demonstrates that the statutory lan-

guage was deliberately employed to extend liability of the United States only for infringement of devices other than those with which a government employee had any association. In its original form, as first introduced in Congress, the Act contained only a blanket waiver of immunity on the part of the United States for patent infringement suits brought against it. The bill was severely criticized for its failure to contain a provision excepting suits brought by or on behalf of government employees, etc. During the course of the debate in the House, Representative Douglas declared (45 Cong. Rec. 8772):

> I submit that this bill ought on every account to be amended, so that *in no event* * * * *should the benefit of this act inure to any device which is invented while a man is employed by the Government.* [Emphasis supplied.]

To meet this objection, the amendment which is involved in the present case was added (45 Cong. Rec. 8785). This amendment (quoted *supra*, p. 2) does two things: (1) it preserves the Government's immunity with respect to suit brought either by any patentee who, when he makes such a claim, is in the employment or service of the United States, or by any assignee of such patentee; and (2) it provides that the Act shall not apply to any device discovered or invented by an employee during the time of his employment or service.

The broad purpose of this limitation was expressed by Representative Goldfogle of New York, who declared during the course of the debate (45 Cong. Rec. 8785):

> Mr. Chairman, the purpose of this amendment is to meet the objections that were justly urged to the bill, so far as government employees are concerned. Under the amendment it will not be possible to have the collusion or conspiracies to which references were made in the course of general debate. The amendment will shut out cases of employees who, availing themselves of experience gathered in the departments, have invented devices and then permitted the Government to use them, and therefore claim compensation from the Government.[2]

Petitioner's position clearly is in conflict with the fundamental purposes of the exception. Excluding a government employee from bringing suit for infringement by the United States of a device invented while he was an employee but permitting a private party to bring suit who was allegedly a joint inventor on the very same device, could afford

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[2] Representative Goldfogle continued: "But if the amendment be adopted, there will be still open a remedy to such employees. They can still come, as they now can come, before Congress, and lay their claims before us." This remedy is, of course, also available to the private inventors precluded from suit by the exception. On May 2, 1949, H.R. 4480, a private bill for the relief of Joseph Barraja-Frauenfelder, William Chamberlain Magee, John Henry Thomas and Phillip P. Krug, the four inventors of the Strategical Demolition Torpedo, was introduced in the 81st Congress, 1st Session (95 Cong. Rec. 5458) and referred to the Committee on the Judiciary.

opportunities for the collusion or conspiracies at which the amendment was aimed. A joint invention is the result of mutual contributions and united efforts of the parties. The culmination of the work is the result of each and all of the inventors, and no one may be a joint inventor unless he has had some share in the conception of the inventions.[3] *Shreckhise* v. *Ritchie,* 67 F. Supp. 926 (W.D. Va.), affirmed, 160 F. 2d 593 (C.A. 4); *Pointer* v. *Six Wheel Corporation,* 177 F. 2d 153 (C.A. 9). As the court below stated (R. 9), even if it held that the disqualification provided in the statute was applicable only to the extent that the government employee contributed to the invention, it would be fruitless to take proof as to how the invention was created, as urged by petitioner, because of the impossibility of apportioning to each inventor his contribution to an invention that is the product of all four inventors collectively. Petitioner would permit private parties, who were joint inventors with a government employee, to avail themselves of the experiences, ideas and contributions of the government employee, which may have been acquired because of that employee's

[3] Petitioner states on page 6 of its petition that "the proof may well show that Thomas only put his name on the application and had contributed nothing toward the invention." If this were true, petitioner's patent would be void as it is well settled that a patent issued on behalf of joint inventors, when in fact they are not joint inventors, is void. Walker on Patents, 6th ed., § 89; *Shreckhise* v. *Ritchie,* 67 F. Supp. 926. (W.D. Va.), affirmed, 160 F. 2d 593 (C.A. 4).

opportunities in his government position, in direct contradiction to the express purposes of the Act. The courts have strictly interpreted provisions relinquishing sovereign immunity.[4] *United States* v. *Sherwood,* 312 U. S. 584; *United States* v. *Shaw,* 309 U. S. 495. The construction for which petitioner contends would impose a liability on the Government not contemplated by the specific wording of the Act.

(b) Petitioner's second argument, that the interest of co-owners of a patent are divisible (Pet. 6), is immaterial to decision of this case. As the Court of Claims stated: "Whatever may be said about the indivisibility of a patent after it has been granted and has become a property right, we think that the invention, that is, the process of producing the idea to be patented, is indivisible in the strictest sense. It is not susceptible to dissection. * * * the culmination of the work, the invention itself when it was accomplished, was, according to the joint application for the patent, the accomplishment of each and all. Thus the device was 'invented by an employee' of the Government and cannot be the subject of a suit under Section 1498" (R. 9). Application of the statute to the facts here does not require decision as to whether the patent is

[4] This Court has held that the Act in question precludes recovery by a government employee where the invention was completed during his government service even though all the work on the invention was performed at the employee's home and during hours when he was not on government duty. *Moore* v. *United States,* 249 U. S. 487.

divisible but only whether the inventors, or their assignee, came within the exception of the Act.

Petitioner's related contention, that it is deprived of its property without due process of law (Pet. 8), merely begs the question. Petitioner has only such "property right" in its patent, at least so far as such "right" includes the privilege of suing the United States, as Congress has granted to it. Prior to the Act of 1910, patent owners had the right to sue the Government for infringement of its patents only under a theory of contract or implied contract.[5] *Belknap* v. *Schild,* 161 U. S. 10; *Schillinger* v. *United States,* 155 U. S. 163. The statute passed in 1910 was part of the patent laws of the United States, enlarging the rights of patent owners, and, as explained by the title of the statute, was "An Act to provide additional protection for owners of patents of the United States." Congress could impose such conditions on this additional grant of right as it saw fit. As has been demonstrated, petitioner is simply among the group of patent owners that Congress did not include in the statute passed in 1910.[6]

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[5] Neither theory is urged in the present case.

[6] Petitioner apparently believes that the application for letters patent by the four inventors and the patent granted thereunder are null and void because one of the applicants is under a disability by virtue of the statute involved (petition, page 4, question 2). This impression is erroneous. Both the application for letters patent and the patent itself are valid. The rights granted under the patent merely do not extend to the right to sue the Government for infringement.

2. Moreover, as petitioner cannot bring this suit as assignee of all four inventors, it is precluded by an established rule of patent law from maintaining the action. It is well settled that each of two or more co-owners of a patent is an indispensable party to an action in which infringement is charged and that the co-owners must sue jointly. *Bendix Aviation Corporation* v. *Kury,* 88 F. Supp. 243 (E.D.N.Y.); *Gibbs* v. *Emerson Electric Mfg. Co.,* 29 F. Supp. 810 (W.D. Mo.); *Rainbow Rubber Co.* v. *Holtite Mfg. Co.,* 20 F. Supp. 913 (D. Md.). Petitioner is the assignee of four co-owners of a patent and acquires the rights and limitations of each of the owners. Suit by a single owner would be subject to the defense of lack of the other owners as parties plaintiff, as they are indispensable parties to any action for infringement. Joinder of all owners as parties plaintiff would not be possible in this case as the owner who was an employee of the United States at the time of the invention is precluded by statute from an action against the United States. Petitioner, as assignee of the four inventors, is thus unable to sue as it cannot bring suit for infringement of the entire patent.[7]

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[7] It is clear that one co-owner of a patent right cannot compel the other co-owner to join in a suit for infringement and cannot make him a party defendant. *Gibbs* v. *Emerson Electric Mfg. Co., supra; Bendix Aviation Corporation* v. *Kury, supra;* Moore's *Federal Practice,* Vol. 3, pp. 2149, 2150. This may work a hardship on the part owner of a patent but it is an assumed hardship, as is the hardship on the three owners of the patent in the instant case who are

3. Petitioner states (page 5 of its petition): "There are no cases decided by any court under this statute covering the questions here presented, save the decision of the court below * * *." The statute was passed July 25, 1910, and has thus been in effect over 41 years. As this is the first case on this question arising under this statute in 41 years and as no similar cases are pending, it is submitted that this is not an important federal question requiring review by this court.

CONCLUSION

The decision below is correct, there is no conflict of decisions, and no question warranting review is presented. It is respectfully submitted that the petition for a writ of certiorari should be denied.

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AUGUST, 1951.

precluded from suit. This is well pointed out in *Rainbow Rubber Co.* v. *Holtite Mfg. Co.*, 20 F. Supp. at 916: "it is not in fact the court that is setting up the barrier to the actual plaintiff, the Rainbow Rubber Company, but the actual plaintiff has done this to itself by reason of its own voluntary action, to wit, its election to assume the status of a part owner merely of a patent, with the limitations and restrictions inherent in the law incident to such status."

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